GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:4172
ANSWERED ON:19.08.2010
SUPPLY OF PETROLEUM PRODUCTS FROM MAURITIUS
Singh Shri Uday Pratap

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) Whether Mangalore Refinery and Petrochemicals Ltd, has signed an agreement with Mauritius for supply of Liquid Petroleum Products;

(b) If so, the details thereof;

(c) the extent to which the subsidiary of Oil and Natural Gas Corporation is likely to be benefited by the said agreement;

(d) whether the Government proposes to modernise and upgrade Mangalore Refinery and Petrochemicals;and

(e) If so, the details thereof alongwith the funds allocated for the said purpose during the current Financial Year?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI JITIN PRASADA)

(a) & (b). Yes, Madam. Mangalore Refinery and Petrochemicals Limited(MRPL) has signed an Agreement with State Trading Corporation, Mauritius for supply of 1.10 MMTPA of petroleum products for a period of 3 years. The products to be supplied comprises of High Speed Diesel oil, Aviation Turbine Fuel, Motor spirit and Furnace Oil.

(c) As MRPL exports around 40% of its production, it will have the benefit of a long term supply agreement ensuring assured supply of products. The price is linked to International Market and benefit will vary depending upon the volatility in the market prices.

(d) MRPL has already taken up Refinery Upgradation-Cum-Expansion project with a capital outlay of above Rs.15,000/- crores.

(e) The Refinery Expansion-Cum-Upgradation project will result in better distillate yield, increased capacity to process high TAN crudes, create capability to produce value added products and higher quality motor fuels. The refining capacity will also increase by 3 MMTPA. The Budget allocation for the year 2010-11 is Rs.3000 Crore.